

State of Utah DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining JOHN R. BAZA Division Director

December 4, 2013

Ben Terry c/o North American Exploration 447 North 300 West, Suite 3 Kaysville, Utah 84037

Subject: Deficient Notice of Intention to Commence Small Mining Operations, Ben Terry,

Emerald Mist Mine, S/021/0044, Iron County, Utah

Dear Mr. Terry:

The Division of Oil, Gas and Mining has received a new operations map for the proposed Emerald Mist mining operation and considers this new map to be adequate.

As stated in the Division's initial review dated October 23, 2013, the Division must have concurrence from the Bureau of Land Management for the reclamation surety amount. The Division will not be able to provide a surety amount until the BLM reviews the Plan of Operations and concurs with this amount, and the Division will not be able to issue approval until the surety is posted in a form and amount acceptable to the Division and the BLM.

In addition to the above, the Division is concerned about activities being done at or near the site, including road improvements or maintenance, as observed during a recent site inspection. The individual doing the road grading indicated he had been hired by you to fix the road so that you could get your dump truck to the proposed mine site. Until the Notice of Intention is approved by the Division and the Plan of Operations by the BLM, and an adequate reclamation surety is posted, there is to be NO work performed. Enforcement actions, including associated fines, may be warranted if site improvements continue.

In summary, you have provided everything the Division requires for permit approval with the exception of the reclamation surety and contract. The BLM must concur with the amount of surety. Until they provide this concurrence, the Division will suspend further review with this proposed mine. Until approval is granted, there is to be no mining or development activity at the site.



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Please call Lynn Kunzler at 801-538-5310 or me at 801-538-5261 if you have questions regarding this letter. In reply, please refer to file number S/021/0044. Thank you for your cooperation.

Sincerely,

Paul B. Baker

Minerals Program Manager

PBB: lk: eb

cc: Ed Ginouves, BLM (eginouve@BLM.gov) $P:\GROUPS\MINERALS\WP\M021-Iron\S0210044-EmeraldMistMine\final\rev2-5711-12022013.doc$